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EXAMINER

WINTER, JOHN M

ART UNIT	PAPER NUMBER
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3621

DATE MAILED: 07/16/2002

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/536,006

Applicant(s)

PHILLIPS ET AL.

Examiner

John M Winter

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-56 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 1-56 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on ____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on ____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. ____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s) ____
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) ____ 6) ☐ Other: ____

DETAILED ACTION

Claims 1 - 56 have been examined.

Claim Rejections - 35 USC § 112

The following is a quotation of the second paragraph of 35 U.S.C. 112:
The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claim 56 recites the limitation the "method of claim 54" in claim 54. There is insufficient antecedent basis for this limitation in the claim.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –
(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1-3,26,27,45 and 46 are rejected under 35 U.S.C. 102(b) as being anticipated by Pare, Jr et al (US Patent 6,230,148).

As per claim 1,

Pare Jr. et al. ('148) discloses a method for using one or more computers to electronically clear and cash a check submitted to an on-line merchant from an on-line consumer by electronic means comprising the steps of:

- accepting an input of check information submitted by consumer;(Figure 7)
- verifying the accuracy of the check information;(column 8, lines 41-46)
- presenting the check information for clearing through the Federal Reserve's Automated Clearing House;(column 11, lines 38-45)
- debiting the consumers checking account from which the check was drawn in an amount indicated in the check information;(column 4, lines 57-59)
- crediting the merchant's account in the amount indicated in the check information.(column 4, lines 59-61)

As per claim 2

Pare Jr. et al. ('148) discloses a the method of claim 1 further comprising:
the step of evaluating the consumer's check-writing history by accessing a database of bad-check writers. (column 11, lines 57-65)

As per claim 3

Pare Jr. et al. ('148)discloses the method of claim 1

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wherein the consumer submits the check information to the merchant over the Internet.
(column 8, lines 22-25)

As per claim 26,
Pare Jr. et al. ('148) discloses an apparatus comprising one or more computers capable of executing one or more programs to electronically clear and cash a check submitted to an on-line merchant from an on-line consumer by electronic means by carrying out the following steps:
accepting an input of check information submitted by consumer;(Figure 7)
verifying the accuracy of the check information;(column 8, lines 41-46)
presenting the check information for clearing through the Federal Reserve's Automated Clearing House;(column 11, lines 38-45)
debiting the consumers checking account from which the check was drawn in an amount indicated in the check information;(column 4, lines 57-59)
crediting the merchant's account in the amount indicated in the check information.(column 4, lines 59-61)

As per claim 27
Pare Jr. et al. ('148) discloses the apparatus of claim 26 wherein the procedure carried out by the apparatus further comprises:
evaluating the consumer's check-writing history by accessing a database of bad-check writers.
(column 11, lines 57-65)

As per claim 45,
Pare Jr. et al. ('148) discloses an article of manufacture comprising a computer program carrier readable by a computer and embodying one or more instructions executable by the computer to perform method steps for electronically clearing and cashing a check submitted to an on-line merchant from an on-line consumer by electronic means, the method comprising the steps of:
accepting an input of check information submitted by consumer;(Figure 7)
verifying the accuracy of the check information;(column 8, lines 41-46)
presenting the check information for clearing through the Federal Reserve's Automated Clearing House;(column 11, lines 38-45)
debiting the consumers checking account from which the check was drawn in an amount indicated in the check information;(column 4, lines 57-59)
crediting the merchant's account in the amount indicated in the check information.(column 4, lines 59-61)

As per claim 46
Pare Jr. et al. ('148) discloses the article of manufacture of claim 45 wherein the method further comprises:
the step of evaluating the consumer's check-writing history by accessing a database of bad-check writers. (column 11, lines 57-65)

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 4,5,9,12-14,28,30-32,34, and 47 are rejected under 35 U.S.C. 103(a) as being unpatentable over Pare, Jr et al (US Patent 6,230,148) in view of Official Notice.

As per claim 4,

Pare Jr. et al. ('148) discloses the method recited in claim 1, Official Notice is taken that "verifying the check information to ensure that the bank routing number submitted by the consumer is valid and correct" is common and well known in prior art in reference to receiving payments. It would have been obvious to one having ordinary skill in the art at the time the invention was made to verifying the check information to ensure that the bank routing number submitted by the consumer is valid and correct because merchant would have no confidence in a purchasing system that performs no validation.

As per claim 5,

Pare Jr. et al. ('148) discloses the method recited in claim 4, Official Notice is taken that "the routing number is verified by determining whether the routing number satisfies the check digit algorithms" is common and well known in prior art in reference to receiving payments. It would have been obvious to one having ordinary skill in the art at the time the invention was made to use a check digit algorithm to verify the routing number is correct because the use of an algorithm conforms with standards put forth by the ABA.

As per claim 9,

Pare Jr. et al. ('148) discloses the method of claim 8, Official Notice is taken that "one of the processing fees comprises a percentage of the value of the amount indicated in the check information." is common and well known in prior art in reference to processing funds. It would have been obvious to one having ordinary skill in the art at the time the invention was made to use a processing fee comprised of a percentage of the value of the amount indicated in the check information in order to allow banks to recoup expenses incurred via use of electronic checks.

This practice is common with credit cards that provide the service of advancing cash, and therefore act like electronic checks..

As per claim 12,

Pare Jr. et al. ('148) discloses the method recited in claim 1, Official Notice is taken that "if the check is returned by the Automated Clearing House, an additional processing step is conducted comprising determining the reason why the check was

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returned.” is common and well known in prior art in reference to processing electronic funds. It would have been obvious to one having ordinary skill in the art at the time the invention was made to determine the reason the check was returned in order create a profile of reasons for not processing checks.

As per claim 13,

Pare Jr. et al. ('148) discloses the method of claim 12 wherein if the reason for the return is that the account is closed, that a stop payment order was made, or that fraud is present, additional processing steps are performed comprising:

notifying the merchant of the returned check and debiting the merchants account by the amount indicated in the check information.(column 11, lines 57-67; column12, lines 1-3)

As per claim 14,

Pare Jr. et al. ('148) discloses the method recited in claim 13, Official Notice is taken that “refunding to the merchants account one or more of the processing fees paid by the merchant” is common and well known in prior art in reference to processing electronic funds. It would have been obvious to one having ordinary skill in the art at the time the invention was made to refund processing fees paid by the merchant in order prevent the banking agency from collecting fees for services that were not rendered.

As per claim 28,

Pare Jr. et al. ('148) discloses the apparatus recited in claim 26, Official Notice is taken that “verifying the check information to ensure that the bank routing number submitted by the consumer is valid and correct” is common and well known in prior art in reference to receiving payments. It would have been obvious to one having ordinary skill in the art at the time the invention was made to verifying the check information to ensure that the bank routing number submitted by the consumer is valid and correct because merchant would have no confidence in a purchasing system that performs no validation.

As per claim 30,

Pare Jr. et al. ('148) discloses the apparatus of claim 26, Official Notice is taken that “if the check is returned by the Automated Clearing House, an additional processing step is conducted comprising determining the reason why the check was returned.” is common and well known in prior art in reference to processing electronic funds. It would have been obvious to one having ordinary skill in the art at the time the invention was made to determine the reason the check was returned in order create a profile of reasons for not processing checks.

As per claim 31,

Pare Jr. et al. ('148) discloses the apparatus of claim 30 wherein if the reason for the return is that the account is closed, that a stop payment order was made, or that fraud is present, additional processing steps are performed comprising:

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notifying the merchant of the returned check and debiting the merchants account by the amount indicated in the check information.(column 11, lines 57-67; column12, lines 1-3)

As per claim 32,

Pare Jr. et al. ('148) discloses the apparatus of claim 30,
Official Notice is taken that "refunding to the merchants account one or more of the processing fees paid by the merchant" is common and well known in prior art in reference to processing electronic funds. It would have been obvious to one having ordinary skill in the art at the time the invention was made to refund processing fees paid by the merchant in order prevent the banking agency from collecting fees for services that were not rendered.

As per claim 34,

Pare Jr. et al. ('148) discloses the apparatus of claim 30
wherein check information is presented to the Automated Clearing House for a second presentment within twenty-four hours after the check has been returned. (column 11, lines 51-56)

As per claim 47,

Pare Jr. et al. ('148) discloses the article of manufacture of claim 46,
Official Notice is taken that "verifying the check information to ensure that the bank routing number submitted by the consumer is valid and correct" is common and well known in prior art in reference to receiving payments. It would have been obvious to one having ordinary skill in the art at the time the invention was made to verifying the check information to ensure that the bank routing number submitted by the consumer is valid and correct because merchant would have no confidence in a purchasing system that performs no validation.

Claims 8,10 and 11 are rejected under 35 U.S.C. 103(a) as being unpatentable over Pare, Jr et al (US Patent 6,230,148) in view of Fedtalk, financial services update of the Federal Reserve Bank of Boston, winter 1999 issue.

As per claim 8,

Pare Jr. et al. ('148) discloses the method of claim 1,

Pare Jr. et al. ('148) does not specifically discloses comprising the further step of crediting the merchant's account by the amount indicated in the check information minus one or more processing fees. Fedtalk discloses comprising the further step of crediting the merchant's account by the amount indicated in the check information minus one or more processing fees.(page 3, "ACH", "Book-Entry Securities", and "Check" paragraphs). It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the Fedtalk method in order to allow both banks and merchants to profit from the use of electronic checks.

As per claim 10,

Pare Jr. et al. ('148) discloses the method of claim 8,

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Pare Jr. et al. ('148) does not specifically disclose one of the processing fees comprises a fixed fee for processing the transaction. Fedtalk discloses one of the processing fees comprises a fixed fee for processing the transaction.(page 3, "ACH" paragraph). It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the Fedtalk method in order to allow banks to profit from the use of electronic checks.

As per claim 11,

Pare Jr. et al. ('148) discloses the method of claim 8,

Pare Jr. et al. ('148) does not specifically disclose wherein one of the processing fees comprises an administrative fee. Fedtalk discloses wherein one of the processing fees comprises an administrative fee.(page 3, "ACH", "Book-Entry Securities", and "Check" paragraphs). It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the Fedtalk method in order to allow banks to recoup expenses incurred via use of electronic checks.

Claims 15-18,20,22-24,33,35,36,38,40-42 and50-56 are rejected under 35 U.S.C. 103(a) as being unpatentable over Pare, Jr et al (US Patent 6,230,148) in view of JCR Financial Services.

As per claim 15,

Pare Jr. et al. ('148) discloses the method recited in claim 12, wherein if the reason for the return is that the consumers checking account has insufficient funds or uncollected funds, additional processing is performed comprising:

notifying the merchant that the check was returned when it was first presented.(column 11, lines 57-65)

Pare Jr. et al. ('148) discloses does not specifically disclose presenting the check information to the Automated Clearing House for a second presentment; JCR Financial Services discloses presenting the check information to the Automated Clearing House for a second presentment (page 1,column 1 – 2nd block under ECR 2000) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to maximize the likelihood of funds recovery.

As per claim 16,

Pare Jr. et al. ('148) discloses the method recited in claim 15

wherein check information is presented to the Automated Clearing House for a second presentment within twenty-four hours after the check has been returned. (column 11, lines 51-56)

As per claim 17,

Pare Jr. et al. ('148) discloses the method of claim 15

Pare Jr. et al. ('148) discloses does not specifically disclose wherein if the second presentment clears the consumer's account, additional processing is performed comprising charging a collection fee to the consumer's account via the Automated Clearing House and is

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crediting the merchant's account with the amount indicated in the check information. JCR Financial Services discloses wherein if the second presentment clears the consumer's account, additional processing is performed comprising charging a collection fee to the consumer's account via the Automated Clearing House (page 2, column 2 – 1st block; this states that the collection fee transaction is not returned or otherwise charged back by the consumer) and is crediting the merchant's account with the amount indicated in the check information. (page 1, column 1 7th block) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to maximize the likelihood of funds recovery.

As per claim 18,

Pare Jr. et al. ('148) discloses the method of claim 15 wherein if the check is returned by the Automated Clearing House after the second presentment, additional processing is conducted comprising the steps of:

debiting the merchant's account by the amount indicated in the check information. (column 11, lines 57-67; column 12, lines 1-3)

Pare Jr. et al. ('148) discloses does not specifically disclose determining why the check was returned and notifying the merchant that the check was returned after the second presentment; JCR Financial Services discloses determining why the check was returned and notifying the merchant that the check was returned after the second presentment (page 2, column 1, 2nd block) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to allow the merchant to maintain a list of outstanding receivable funds..

As per claim 20,

Pare Jr. et al. ('148) discloses the method of claim 18

Pare Jr. et al. ('148) does not specifically disclose wherein if the reason for the second return is that the consumer's checking account has insufficient funds or uncollected funds, additional processing is performed comprising:

during a predetermined time period, attempting to verify whether the consumer's account has funds available;

presenting the check information to the Automated Clearing House for a third presentment either when the predetermined time period has expired or when the consumer's account has funds available, whichever occurs first.

JCR Financial Services discloses during a predetermined time period, attempting to verify whether the consumer's account has funds available; (page 1 column 2 – 3rd block under "check collect")

presenting the check information to the Automated Clearing House for a third presentment either when the predetermined time period has expired or when the consumer's account has funds available, whichever occurs first. (page 1, column 1 – 3rd block under "ECR 2000) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to maximize the likelihood of funds recovery.

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As per claim 22,

Pare Jr. et al. ('148) discloses the method of claim 20

Pare Jr. et al. ('148) does not specifically disclose wherein wherein a human attempts to verify whether the consumer's account has funds available by placing telephone calls to the bank holding the customer's account. JCR Financial Services discloses a human attempts to verify whether the consumer's account has funds available by placing telephone calls to the bank holding the customer's account. (page 1 column 2 – 3rd block under “check collect”) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to maximize the likelihood of funds recovery.

As per claim 23,

Pare Jr. et al. ('148) discloses the method of claim 20

Pare Jr. et al. ('148) discloses does not specifically disclose

wherein if the third presentment clears the consumer's account, additional processing is performed comprising charging a collection fee to the consumer's account via the Automated Clearing House and the crediting merchant's account with the amount indicated in the check information. JCR Financial Services discloses wherein if the third presentment clears the consumer's account, additional processing is performed comprising charging a collection fee to the consumer's account via the Automated Clearing House. (page 2, column 2 – 1st block; this states that the collection fee transaction is not returned or otherwise charged back by the consumer) and is crediting the merchant's account with the amount indicated in the check information. (page 1, column 1 7th block) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to maximize the likelihood of funds recovery.

As per claim 24,

Pare Jr. et al. ('148) discloses the method of claim 20 wherein if the check is returned by the Automated Clearing House after the third presentment, additional processing is conducted comprising the steps of:

debiting the merchant's account by the amount indicated in the check information. (column 11, lines 57-67; column 12, lines 1-3)

Pare Jr. et al. ('148) discloses does not specifically disclose notifying the merchant that the check was returned after the third presentment; JCR Financial Services discloses notifying the merchant that the check was returned after the third presentment (page 2, column 1, 2nd block) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to allow the merchant to maintain a list of outstanding receivable funds..

As per claim 33,

Pare Jr. et al. ('148) discloses the apparatus of claim 30, wherein if the reason for the return is that the consumers checking account has insufficient funds or uncollected funds, additional processing is performed comprising:

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notifying the merchant that the check was returned when it was first presented.(column 11, lines 57-65)

Pare Jr. et al. ('148) discloses does not specifically disclose presenting the check information to the Automated Clearing House for a second presentment; JCR Financial Services discloses presenting the check information to the Automated Clearing House for a second presentment (page 1,column 1 – 2nd block under ECR 2000) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to maximize the likelihood of funds recovery.

As per claim 35,

Pare Jr. et al. ('148) discloses the apparatus of claim 33

Pare Jr. et al. ('148) discloses does not specifically disclose wherein if the second presentment clears the consumer's account, the apparatus charges a collection fee to the consumer's account via the Automated Clearing House and the merchant's account is credited with the amount indicated in the check information. JCR Financial Services discloses the apparatus charges a collection fee to the consumer's account via the Automated Clearing House (page 2, column 2 – 1st block; this states that the collection fee transaction is not returned or otherwise charged back by the consumer) and the merchant's account is credited with the amount indicated in the check information.(page 1, column1 7th block) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to maximize the likelihood of funds recovery.

As per claim 36,

Pare Jr. et al. ('148) discloses the apparatus of claim 33 wherein if the check is returned by the Automated Clearing House after the second presentment, the apparatus performs additional processing comprising the steps of:

debiting the merchant's account by the amount indicated in the check information.(column 11, lines 57-67; column 12, lines 1-3)

Pare Jr. et al. ('148) discloses does not specifically disclose determining why the check was returned and notifying the merchant that the check was returned after the second presentment; JCR Financial Services discloses determining why the check was returned and notifying the merchant that the check was returned after the second presentment (page 2, column1, 2nd block) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to allow the merchant to maintain a list of outstanding receivable funds..

As per claim 38,

Pare Jr. et al. ('148) discloses the apparatus of claim 36

Pare Jr. et al. ('148) does not specifically disclose wherein if the reason for the second return is that the consumer's checking account has insufficient funds or uncollected funds, the apparatus performs additional processing comprising:

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during a predetermined time period, attempting to verify whether the consumer's account has funds available;

presenting the check information to the Automated Clearing House for a third presentment either when the predetermined time period has expired or when the consumer's account has funds available, whichever occurs first.

JCR Financial Services discloses during a predetermined time period, attempting to verify whether the consumer's account has funds available;(page 1 column 2 – 3rd block under “check collect”)

presenting the check information to the Automated Clearing House for a third presentment either when the predetermined time period has expired or when the consumer's account has funds available, whichever occurs first.(page 1, column 1 – 3rd block under “ECR 2000) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to maximize the likelihood of funds recovery.

As per claim 40,

Pare Jr. et al. ('148) discloses the apparatus of claim 38

Pare Jr. et al. ('148) discloses does not specifically disclose

wherein if the third presentment clears the consumer's account, a collection fee to the consumer's account via the Automated Clearing House and credits the merchant's account with the amount indicated in the check information. JCR Financial Services discloses wherein if the third presentment clears the consumer's account, a collection fee to the consumer's account via the Automated Clearing House and credits the merchant's account with the amount indicated in the check information. (page 2, column 2 – 1st block; this states that the collection fee transaction is not returned or otherwise charged back by the consumer) and is crediting the merchant's account with the amount indicated in the check information.(page 1, column 1 7th block) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to maximize the likelihood of funds recovery.

As per claim 41,

Pare Jr. et al. ('148) discloses the apparatus of claim 38 wherein if the check is returned by the Automated Clearing House after the third presentment, the apparatus performs additional processing is conducted comprising the steps of:

debiting the merchant's account by the amount indicated in the check information.(column 11, lines 57-67; column 12, lines 1-3)

Pare Jr. et al. ('148) discloses does not specifically disclose notifying the merchant that the check was returned after the third presentment; JCR Financial Services discloses notifying the merchant that the check was returned after the third presentment (page 2, column 1, 2nd block) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to allow the merchant to maintain a list of outstanding receivable funds..

As per claim 42,

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Pare Jr. et al. ('148) discloses the apparatus of claim 38
Pare Jr. et al. ('148) does not explicitly disclose the on-line merchant can access the one or more computers to obtain information regarding the status of one or more checks which the merchant has submitted. JCR Financial Services discloses the on-line merchant can access the one or more computers to obtain information regarding the status of one or more checks which the merchant has submitted. (page 2, column 1, 2nd block) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to allow the merchant to maintain a list of outstanding receivable funds..

As per claim 50,
Pare Jr. et al. ('148) discloses the article of manufacture of claim 49 wherein if the reason for the return is that the account is closed, that a stop-payment order was made, or that fraud is present, an additional processing step is conducted comprising:
debiting the merchant's account by the amount indicated in the check information. (column 11, lines 57-67; column 12, lines 1-3)
Pare Jr. et al. ('148) discloses does not specifically disclose notifying the merchant of the returned check; JCR Financial Services discloses notifying the merchant of the returned check (page 2, column 1, 2nd block) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to allow the merchant to maintain a list of outstanding receivable funds..

As per claim 51,
Pare Jr. et al. ('148) discloses the article of manufacture of claim 49 wherein if the reason for the return is that the consumer's checking account has insufficient funds or uncollected funds, an additional processing step is performed comprising:
notifying the merchant that the check was returned when it was first presented. (column 11, lines 57-65)
Pare Jr. et al. ('148) discloses does not specifically disclose presenting the check information to the Automated Clearing House for a second presentment; JCR Financial Services discloses presenting the check information to the Automated Clearing House for a second presentment (page 1, column 1 – 2nd block under ECR 2000) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to maximize the likelihood of funds recovery.

As per claim 52,
Pare Jr. et al. ('148) discloses the article of manufacture of claim 51
Pare Jr. et al. ('148) discloses does not specifically disclose wherein if the second presentment clears the consumer's account, a collection fee to the consumer's account via the Automated Clearing House and the merchant's account is credited with the amount indicated in the check information. JCR Financial Services discloses wherein if the second presentment clears the consumer's account, a collection fee to the consumer's account via the Automated

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Clearing House (page 2, column 2 – 1st block; this states that the collection fee transaction is not returned or otherwise charged back by the consumer)
the merchant's account is credited with the amount indicated in the check information.(page 1, column 1 7th block) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to maximize the likelihood of funds recovery.

As per claim 53,

Pare Jr. et al. ('148) discloses the article of manufacture of claim 51 wherein if the check is returned by the Automated Clearing House after the second presentment, additional processing steps are conducted comprising the steps of:

debiting the merchant's account by the amount indicated in the check information.(column 11, lines 57-67; column 12, lines 1-3)

Pare Jr. et al. ('148) discloses does not specifically disclose determining why the check was returned and notifying the merchant that the check was returned after the second presentment; JCR Financial Services discloses determining why the check was returned and notifying the merchant that the check was returned after the second presentment (page 2, column 1, 2nd block) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to allow the merchant to maintain a list of outstanding receivable funds..

As per claim 54,

Pare Jr. et al. ('148) discloses the article of manufacture of claim 53

Pare Jr. et al. ('148) does not specifically disclose wherein if the reason for the second return is that the consumer's checking account has insufficient funds or uncollected funds, additional processing is performed comprising:

during a predetermined time period, attempting to verify whether the consumer's account has funds available;

presenting the check information to the Automated Clearing House for a third presentment either when the predetermined time period has expired or when the consumer's account has funds available, whichever occurs first.

JCR Financial Services discloses during a predetermined time period, attempting to verify whether the consumer's account has funds available;(page 1 column 2 – 3rd block under "check collect")

presenting the check information to the Automated Clearing House for a third presentment either when the predetermined time period has expired or when the consumer's account has funds available, whichever occurs first.(page 1, column 1 – 3rd block under "ECR 2000) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to maximize the likelihood of funds recovery.

As per claim 55,

Pare Jr. et al. ('148) discloses article of manufacture of claim 54

Pare Jr. et al. ('148) discloses does not specifically disclose

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wherein if the third presentment clears the consumer's account, additional processing is performed comprising charging a collection fee to the consumer's account via the Automated Clearing House and the merchant's account is credited with the amount indicated in the check information. JCR Financial Services discloses wherein if the third presentment clears the consumer's account, additional processing is performed comprising charging a collection fee to the consumer's account via the Automated Clearing House. (page 2, column 2 – 1st block; this states that the collection fee transaction is not returned or otherwise charged back by the consumer) and the merchant's account is credited with the amount indicated in the check information. (page 1, column 1 7th block) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to maximize the likelihood of funds recovery.

As per claim 56,

Pare Jr. et al. ('148) discloses the method of claim 54 wherein if the check is returned by the Automated Clearing House after the third presentment, additional processing is conducted comprising the steps of:

debiting the merchant's account by the amount indicated in the check information. (column 11, lines 57-67; column 12, lines 1-3)

Pare Jr. et al. ('148) discloses does not specifically disclose notifying the merchant that the check was returned after the third presentment; JCR Financial Services discloses notifying the merchant that the check was returned after the third presentment (page 2, column 1, 2nd block) It would be obvious to one having ordinary skill in the art of electronic banking at the time the invention was made to combine the Pare Jr. et al. ('148) method with the JCR Financial Services method in order to allow the merchant to maintain a list of outstanding receivable funds..

Allowable Subject Matter

Claims 6,7,19,21,25,29,37,39,43,44,48 and 49 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims and complying with double patenting statutes.

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to John M Winter whose telephone number is (703) 305-3971. The examiner can normally be reached on M-F 8:30-6, 1st Fridays off.

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P Trammel can be reached on (703)305-9768. The fax phone numbers for the organization where this application or proceeding is assigned are (703) 305-7687 for regular communications and (703) 305-7687 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

July 10, 2002



JAMES P TRAMMELL
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